



Seattle City Council

Memorandum

44x13

Date: June 18, 1985
To: Energy Committee Members
From: Tom Grant TFG
Subject: Resolution 27290 - SCL/EPA Agreement regarding PCB-contaminated oil at the Lake Union steam plant

Resolution 27290 would authorize the Superintendent of Seattle City Light to enter into a Consent Agreement with EPA on the disposal of the PCB-contaminated oil at the Lake Union steam plant. The agreement identifies a process and schedule for decision making and project completion as well as a schedule and method for assessment of EPA fines to be paid by Seattle City Light.

Following is a summary of the salient terms of the proposed agreement and of a Regional Administrator's Order signed by the EPA Regional Administrator.

Terms of Agreement between SCL and EPA

- o Seattle City Light shall dispose of the 811,000 gallons of PCB-contaminated oil by December 1, 1986.
- o EPA will assess upon SCL a penalty of \$5,000 per month for each month commencing April 24, 1985, until the contaminated oil has been disposed of.
- o SCL shall perform an environmental project (or projects) acceptable to EPA. SCL shall propose such project(s) to EPA by September 24, 1985.
- o If SCL has not disposed of the PCB-contaminated oil by December 1, 1986, EPA may place the matter in the control of a Receiver to be appointed by the Federal District Court.
- o Carrying out the agreement would be considered full settlement of all civil penalties for the alleged violations associated with the 811,000 gallons of PCB-contaminated oil.

EPA Regional Administrator's Order

In addition to this proposed agreement, the EPA Regional Administrator has signed an order that contains the following points:

- o Approximately 20 months may be needed by SCL to accomplish the disposal.

- o At \$5,000 per month, SCL may be assessed a penalty of approximately \$100,000.
- o On July 24, 1985, SCL will pay \$15,000 to EPA.
- o Upon completion of the disposal, the total penalty amount shall be calculated. SCL shall be required to pay 30 percent of the total penalty in cash (giving credit to the \$15,000 already paid). The balance of the penalty shall be mitigated as EPA determines upon condition that SCL satisfactorily complete the environmental program(s) specified in the Settlement Agreement.
- o If SCL does not elect and the City Council not fund one of the disposal options on or before February 17, 1986, EPA shall impose an additional \$10,000 penalty.
- o If the City Council does not elect and fund one of the disposal options by March 17, 1986, EPA shall be free to proceed with any remedies authorized by law.
- o If SCL does not complete disposal by December 1, 1986, EPA shall be free to proceed with any remedies authorized by law.

Attached are (1) the proposed SCL PCB disposal work plan and schedule, and (2) a schedule for performing and getting a City decision on an environmental impact statement for this problem.

TG:gm

Attachments

Attachment I
LAKE UNION STEAM PLANT
PCB DISPOSAL WORK PLAN and SCHEDULE

6/10/85

TASK	LEAD RESPONSI- BILITY	ACTIVITY	DATE
Mobile on-site incineration	SCL	Option negotiated	7/1/85
	Vendor	Test burn	7/31/85
	EPA	Evaluate information, issue permit	8/31/85-11/30/85
	SCL	Obtain local permits	7/15/85-12/31/85
	SCL	Notice	11/30/85-12/31/85
	SCL	City Council decision on alternative	1/13/86
	Vendor	Mobilize	1/31/85-2/15/86
	Vendor	Commence burn, cleanup	2/15/86-7/15/86
	SCL/EPA	Verification of cleanup	7/15/86-8/15/86
LUSP Retrofit	SCL	Clean test burn	6/15/85
	SCL	Evaluate test data	7/1/85
	Vendor	Begin design	7/15/85
	Vendor	Complete design	9/15/85
	PSAPCA/EPA	Design consideration completed	11/15/85
	Vendor	Start work on specs, revise design	11/15/85
	SCL	City Council decision on alternative	1/13/86
	SCL	Put out for bid	1/15/86
	SCL	Receive bid	2/15/86
	SCL	Select contractor and mobilize & start work	3/15/86
	Vendor	Finish work	6/1/86
	SCL	Test burn/data submitted	6/1/86-7/1/86
	EPA/PSAPCA	Data consideration	7/1/86-8/1/86
	SCL/ Vendor	Shakedown	8/1/86-9/1/86
	Vendor	Burn	9/1/86-11/1/86
	Vendor/ EPA	Cleanup, verification	11/1/86-12/1/86

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Attachment B

Environmental Impact Statement and City Decision

Lead Responsi- bility	Activity	Date
SCL	Meet with EPA to lay out City work program, to get approval of demonstration project in concept and negotiate fine levels. Sign Consent Agreement.	6/24/85
SCL	Release Scoping Document	6/14/85
SCL	Conduct Scoping	6/14/85-7/5/85
SCL	Prepare Draft Environmental Impact Statement (EIS)	6/14/85-9/30/85
SCL	Comment period of DEIS (including public hearing)	10/1/85-10/31/85
SCL	Publish Final EIS with Departmental Recommendation	11/30/85
Mayor	Mayoral Recommendation	12/15/85
City Council	City Council Decision	1/13/86
SCL	Implement selected option and dispose of PCB's	1/13/86-12/1/86